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January 8, 2018

ACCEPTED/FILED

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Federal Communications Commission
Office of the Secretary

Via Hand Delivery

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, D.C. 20554

Re: Petition for Declaratory Relief, Enforcement Order and Further Relief

Dear Ms. Dortch:

On behalf of Starz Entertainment, LLC, and pursuant to 47 C.F.R. § 76.7, we are filing an original and two copies of the enclosed Petition for Declaratory Relief, Enforcement Order, and Further Relief ("Petition") and the supporting Declaration of Joe Glennon ("Declaration"). We have included an additional copy of the Petition and Declaration and would appreciate if you would date-stamp that copy and return it to the messenger.

Please call or email me at (202) 689-2816 or bob.hoegle@nelsonmullins.com if you have any questions regarding this filing.

Respectfully submitted,

Robert L. Hoegle
Counsel for Starz Entertainment, LLC

RLH:kjk

Enclosures

cc: Chairman Ajit Pai (w/encl.)
Alison Nemeth, Media Advisor (w/encl.)
Commissioner Mignon Clyburn (w/encl.)
David Grossman, Chief of Staff and Media Policy Advisor (w/encl.)
Commissioner Michael O'Rielly (w/encl.)

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Brooke Ericson, Chief of Staff, Legal Advisor, Media (w/encl.)
Commissioner Brendan Carr (w/encl.)
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Thomas M. Johnson, Jr., General Counsel (w/encl.)

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Altice USA, Inc.)	
Cablevision Systems Corporation, and)	MB Docket No. 18-_____
CSC Holdings, LLC)	
)	
Petition for Declaratory Ruling,)	
Enforcement Order, and Further Relief For)	
Violations of Sections 76.1603 and 76.309)	
of the Commission's Rules)	

To: The Commission

**PETITION FOR DECLARATORY RULING,
ENFORCEMENT ORDER, AND FURTHER RELIEF**

Respectfully submitted,
Starz Entertainment, LLC

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Its Counsel

January 8, 2018

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Summary

Starz provides high quality, premium video programming through its 17 linear channels and additional on demand services. As of December 31, 2017, it was providing 16 STARZ, STARZENCORE, and MOVIEPLEX channels to cable systems operated by Cablevision. At midnight on January 1, Cablevision deleted all of the STARZ, STARZENCORE, and MOVIEPLEX channels from all of its systems. Cablevision did so without providing the required 30-day notice to its subscribers. Since deleting the STARZ, STARZENCORE, and MOVIEPLEX services, Cablevision has followed a consistent pattern of avoiding the inquiries and complaints of its subscribers about its deletion. Altice directed the deletions and avoidance tactics of Cablevision, its subsidiary, and provided misleading and false explanations for Cablevision's actions.

The actions of Altice and Cablevision violate 47 C.F.R. § 76.1603(b) and (c), by failing to provide the required 30 days' notice to subscribers before deleting the Starz programming services, and 47 C.F.R. § 76.309(c)(1), by failing to comply with minimum customer service requirements and refusing to respond to subscriber complaints about its deletions. Starz requests that the Commission issue a Declaratory Ruling and Enforcement Order directing Altice and Cablevision: (i) to restore carriage of the STARZ, STARZENCORE, and MOVIEPLEX services pending compliance with the notice rules; (ii) to correct Altice's misleading and false disclosures regarding its deletions; and (iii) to respond to customer inquiries and complaints in compliance with the Commission's rules. In view of Altice's and Cablevision's knowing and intentional violations of the Commission's customer service rules, Starz respectfully submits that substantial fines and forfeitures are appropriate.

**Before the
FEDERAL COMMUNICATIONS COMMISSION
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Violations of Sections 76.1603 and 76.309)	
of the Commission's Rules)	

To: The Commission

**PETITION FOR DECLARATORY RULING,
ENFORCEMENT ORDER, AND FURTHER RELIEF**

Starz Entertainment, LLC ("Starz") provides high quality, entertaining, premium video programming with 17 linear channels and additional on demand services. As of December 31, 2017, it was providing 16 STARZ, STARZENCORE, and MOVIEPLEX channels to cable systems operated by Cablevision Systems Corporation ("Cablevision"). At midnight on January 1, Cablevision deleted all of the STARZ, STARZENCORE, and MOVIEPLEX channels from all of its systems. Cablevision did so without the required notice to its subscribers and, since then, has followed a consistent pattern of avoiding the inquiries and complaints of its subscribers about its deletion. Altice USA, Inc. ("Altice") directed the deletions and avoidance tactics of Cablevision, its subsidiary, and provided misleading and false explanations for Cablevision's actions.

The actions of Altice and Cablevision violate 47 C.F.R. § 76.1603(b) and (c), by failing to provide the required 30 days' minimum notice to subscribers before deleting programming services, and 47 C.F.R. § 76.309(c)(1), by failing to comply with minimum customer service requirements and refusing to respond to subscriber complaints about its deletions. Starz brings

this petition and complaint pursuant to 47 C.F.R. § 76.7 of the Commission's rules and requests that the Commission issue a Declaratory Ruling and Enforcement Order directing Altice and Cablevision to restore carriage of the STARZ, STARZENCORE, and MOVIEPLEX services pending compliance with the notice rules, to correct Altice's misleading and false disclosures regarding its deletions, and to respond to customer inquiries and complaints in compliance with the Commission's rules. Starz respectfully submits that substantial fines and forfeitures are appropriate for Cablevision's intentional disregard and violation of the Commission's rules.

Factual Background

Parties

Starz

Starz is a subsidiary of Lions Gate Entertainment Corp. Starz provides premium subscription video programming to U.S. MVPDs, including cable operators, satellite television providers, telecommunications companies, and online video providers, and on an OTT basis. Declaration of Joe Glennon, Executive Vice President, Affiliate Distribution, of Starz ("Glennon Dec."), dated Jan. 8, 2018, at ¶2. Starz's flagship premium service STARZ offers original series and recently released, exclusive premium-window movies and library movies without advertisements. *Id.* Starz's other services, STARZENCORE and MOVIEPLEX, offer theatrical and independent library movies as well as original and older television series, also without advertisements. *Id.* Starz's services include 17 linear networks, on-demand and online viewing platforms, and stand-alone OTT service. *Id.* The linear networks air over 1,000 movies per month from premier studio partners and include an expanding line-up of original programming series, including the highly-rated "Power" and "Outlander" series. *Id.* Starz's services are offered by distributors either at a fixed monthly price as part of a programming tier or package or on an a la

carte basis, or directly to consumers through the STARZ app at www.Starz.com or through retail partners, such as the Apple Store, for a monthly fee. *Id.*

Altice, Cablevision, and CSC

Altice owns and controls both Cablevision and Cequel Corporation (“Cequel”).¹ Form S-1 Registration Statement for Altice USA, Inc., filed with the U.S. Securities and Exchange Commission (Apr. 11, 2017), at 1. Altice makes clear that it is responsible for the conduct and operation of the Cablevision and Cequel cable systems: “As the U.S. business of Altice N.V., we are driven at all levels by the ‘Altice Way’ – our founder-inspired owner-operator culture and strategy....” *Id.*

Cablevision offers digital television, Internet services, and VoIP services to subscribers located primarily in New York, New Jersey, and Connecticut. Cablevision has distributed STARZ and STARZENCORE programming for over two decades. Glennon Dec. at ¶3. On December 31, 2017, Cablevision’s systems distributed the following Starz channels in Cablevision packages:

- Optimum Preferred/Optimum Select included 8 STARZENCORE channels – STARZENCORE East, STARZENCORE West, STARZENCORE Action, STARZENCORE Black, STARZENCORE Classic, STARZENCORE Family, STARZENCORE Westerns, and STARZENCORE Suspense;
- Optimum Silver included the 8 STARZENCORE channels and 7 STARZ channels – STARZ East, STARZ West, STARZ Kids & Family, STARZ Edge, STARZ in Black, STARZ Comedy, and STARZ Cinema;
- Optimum Gold included the 8 STARZENCORE channels and 7 STARZ channels;² and
- Optimum Premier included the 8 STARZENCORE channels and 7 STARZ channels.

¹ At Altice’s direction, Cequel also deleted all of the STARZ AND STARZENCORE channels that it distributed on January 1, 2018 at midnight. Starz also believes that Cequel did not provide the required 30-day notice to subscribers and has not properly responded to customer inquiries and complaints.

² Some Cablevision systems, such as its Norwalk, Connecticut systems, also distributed MOVIEPLEX in the Optimum Gold package. Not all Cablevision systems distributed precisely the same Starz linear programming services. Certain systems also distributed the STARZ On Demand and STARZENCORE On Demand services. Glennon Dec. at ¶3 n. 1.

Cablevision also had provided Starz's programming services to subscribers on an a la carte basis. *Id.*

CSC Holdings, LLC ("CSC"), another Altice subsidiary, was the party to the agreement with Starz for the STARZ, STARZENCORE, and MOVIEPLEX services. Glennon Dec. at ¶4. Altice and/or CSC at Altice's direction negotiated the renewal of that agreement and rejected Starz's offer to extend the agreement on the same terms and conditions while renewal negotiations continued.

Late Negotiations and Refusal to Extend

Recognizing that its agreement with CSC would expire at midnight on December 31, 2017, Starz submitted a written renewal proposal to Altice on September 20, 2017. Glennon Dec. at ¶5. Altice did not respond until November 28, 2017 with a counterproposal that would have changed the contractual relationship between CSC/Altice and Starz, drastically and adversely to Starz. *Id.* Starz promptly responded to that counterproposal on December 4, 2017, and Altice finally exchanged a number of proposals over the next few weeks. *Id.*

At a meeting on December 20, 2017, John Huncke, Senior Vice President, Affiliate Distribution, of Starz, asked Bradley Fleisher, Senior Vice President Programming at Altice, whether to extend the agreement to enable continuing negotiations. Glennon Dec. at ¶6. Mr. Fleisher replied that there would not be an extension without a path forward. *Id.* During a telephone call on December 23, 2017, Joe Glennon of Starz proposed that the existing agreement be extended on a short-term basis while the parties continued to negotiate the renewal. *Id.* Michael Schreiber, Chief Content Officer of Altice, replied that Altice would agree to an extension only if Starz provided all of its programming services for free. *Id.* Mr. Glennon explained that Starz was willing to extend the agreement but could not do so without charge. *Id.* No further conversations

between Starz and Altice occurred with respect to a short extension. *Id.* Starz continued to negotiate with Altice regarding renewal of the agreement throughout the day on December 31, 2017. *Id.* Starz did not, and has not, de-authorized Altice's receipt of Starz's satellite-delivered signals. *Id.*

Deletion Without Notice

At midnight on January 1, 2018, all Cablevision systems spanning numerous franchise areas deleted all 16 STARZ, STARZENCORE, and MOVIEPLEX channels that it distributed without the notice to its subscribers required by 47 C.F.R. § 76.1603(b) and (c). Glennon Dec. at ¶¶7-9. In its Optimum bill for the billing period 12/23/17-1/22/18, Cablevision disclosed only that “[a]s of December 27, TAG Games (Channel 610) will no longer be available...” and “as of December 31, 2017, The Chiller Network will no longer be available.” Glennon Dec., Ex. 1. Cablevision then disclosed the subscriber rights under New York State law. *Id.* **There was no disclosure of the deletion of the 16 STARZ, STARZENCORE, and MOVIEPLEX channels.** *Id.* Clearly, Cablevision was aware of the disclosure requirements, but it wanted to avoid the inevitable outcry from deleting the popular STARZ, STARZENCORE, and MOVIEPLEX channels and simply disregarded the Commission's notice rule.

Starz personnel had been monitoring publications, the Cablevision website, and the STARZ, STARZENCORE, and MOVIEPLEX channels themselves for any prior disclosure by Altice and Cablevision of the deletion of the STARZ, STARZENCORE, and MOVIEPLEX channels. Glennon Dec. at ¶9. They could not find any such disclosure. *Id.*

Nonetheless, within hours of the deletion, Altice had unveiled a website to explain Cablevision's deletions with false and misleading statements and had replaced some of the channels with channels from different genres. Glennon Dec. at ¶10. Clearly, Altice and

Cablevision had made plans for the deletion well in advance of New Year's Day -- it simply did not inform its subscribers.

In an email to Deadline.com, regarding the article "Starz And Encore Go Dark On Altice USA Cable Systems In New York Area," one Cablevision subscriber summed up Cablevision's failure to give the notice required under the Commission's rules as follows:

All I know is that no one told me on the phone or in my bill that I was going to loose my favorite channels that I pay for nor did they thought of away for us to get our money back for the package with these channels on it all I know is that optimum needs to fixed this ASAP because I love my chiller channel and my starz channel I want them back and they owe us customers an apology for all this.

<http://deadline.com/2017/12/starz-networks-altice-negotiations-distribution-agreement-outlander-power-american-gods-1202233872/> (last visited Jan. 8, 2018).

Cablevision's Attempts to Avoid Subscriber Complaints and Altice's False and Misleading Responses

Since Cablevision dropped Starz's programming services, Starz understands that thousands of irate subscribers have contacted Cablevision by telephone and email to express their anger over the deletion of the STARZ, STARZENCORE, and MOVIEPLEX channels, to demand their reinstatement and/or to request refunds for the deleted services. Glennon Dec. at ¶11. Starz understands that many of these subscribers have been unable to reach a Cablevision customer service representative. *Id.* Specifically, callers have experienced: (1) unanswered and dropped calls; (2) excessive wait times; (3) unavailability of live customer service assistance; (4) transfers to recorded messages followed by call disconnection; and (5) unreturned messages. *Id.*

For example, callers who selected the option for customers calling about STARZ were connected to a recording and disconnected after the conclusion of the recording. Glennon Dec. at ¶12. Callers who selected "billing" again received a recording and were disconnected at its conclusion. *Id.* Callers who selected "add services" had wait times from 16 to 40 minutes. *Id.*

Other callers who selected “upgrades” were informed that Cablevision could not take their call and were then disconnected. *Id.* All calls forwarded by Starz to Cablevision are routed directly to a recording and then disconnected without any opportunity to speak with a live customer service representative. *Id.* One caller who called Cablevision without disclosing her purpose in calling eventually spoke with a live person after a 30 minute wait time and was informed that STARZ “will be back on in a few days” -- “the most would be 15.” *Id.*

False and Misleading Statements

After Cablevision deleted the STARZ and STARZENCORE channels, it stated the following on their channels: “Starz and StarzEncore programming is no longer available on Optimum’s TV lineup. For additional information on new content and more, please visit optimum.net/starz.” Glennon Dec., Ex. 2. On that page, Altice simply stated:

Optimum is focused on providing our customers with the best content experience possible. We are constantly evaluating which channels best meet the needs and preferences of our customers relative to the cost of the programming imposed by the content owners. As a result, we believe it is in the best interest of all our customers to replace Starz and StarzEncore with several new and exciting channels* for your enjoyment.

Id. It then asserted that, “in the best interest of all our customers,” it had selected the Cowboy Channel, Hallmark Drama, MGM HD, and Sony Movie Channel to provide the “best content experience” for its subscribers. *Id.* In lieu of the STARZ channels, Cablevision now provides Flix. Altice provides no data to support these assertions because none exists.³ *Id.*

³ Altice has offered no response to Starz’s rebuttal of its viewership claims, including the following example:

Despite Altice’s claims that its viewership within its footprint is declining, Starz says it has the No. 2 and No. 4 top drama in premium television and its programming has resonated with African-Americans and the LGBTQ communities. *Power* is the No. 1 show among African-Americans on premium television and also ranks high (No. 2) in African-American households in Altice’s footprint. And *Outlander* continues to attract high ratings among female viewers - it was 2017’s No. 2 scripted series behind HBO’s *Game of Thrones*, per Starz.

Altice provides absolutely no support for its claimed evaluation of customer “needs and preferences” or its evaluation and determination of the “best content experience possible” for its customers. Altice’s claims do not withstand the slightest of scrutiny. Viewing data show that, among Cablevision homes, more than 1 in 8 watched STARZ/STARZ ENCORE more than any other cable or broadcast network in 2017, averaging more than 76 minutes of viewing STARZ/STARZ ENCORE every day. Glennon Dec. at ¶14. In contrast, none of the replacement services, which have limited national distribution, includes recent box office hits. *Id.* To the extent that the replacement services offer movies, all appear to feature dated library titles and other non-premium programming. *Id.* According to SNL Kagan estimates, the combined programming expense for the Cowboy Channel, MGM HD, and Sony Movie Channel is less than 13% of Starz’s projected 2018 programming expenses. *Id.* Their key attribute appears to be no or low license fees payable by Altice.

Altice also has made the following misleading and false assertions:

- “Starz refused a short-term contract extension past the midnight ET deadline.”⁴ Altice failed to disclose that it would extend the agreement only if it paid nothing and had rejected Starz’s offer to maintain the status quo;
- Altice asserts that, for the STARZ and STARZENCORE channels, “their viewership is declining....”⁵ Altice has offered no data to support this assertion; and

M. Farrell, “Starz Goes Dark to Altice USA Customers,” Multichannel News (Jan. 1, 2018), <http://www.multichannel.com/news/networks/starz-goes-dark-altice-use-customers/417246> (last visited Jan. 8, 2018).

⁴ D. Ramos, “Starz and Encore Go Dark On Altice USA Cable Systems In New York Area,” Deadline.com (Dec. 31, 2017), <http://deadline.com/2017/12/starz-networks-altice-negotiations-distribution-agreement-outlander-power-american-gods-1202233872/> (last visited Jan. 8, 2018). See M. Farrell, “Starz Goes Dark to Altice USA Customers,” Multichannel News (Jan. 1, 2018) (“after Starz declined its offers including one to extend its current agreement”), <http://www.multichannel.com/news/networks/starz-goes-dark-altice-use-customers> (last visited Jan. 8, 2018).

⁵ V. Gay, “Altice USA drops Starz from its cable systems,” NewsDay (Jan. 2, 2018), <https://www.newsday.com/entertainment/tv/starz-altice-1.15755946> (last visited Jan. 8, 2018); see C. Littleton, “Starz, Altice Battle Over New Carriage Agreement as New Year’s Eve Deadline Looms,” Variety (Dec. 30, 2017) (“Altice cited declining viewership

- “Starz is asking for outrageous increases in programming costs.”⁶ Altice fails to mention that the negotiations foundered because Altice was demanding a substantial price reduction and an extension for free.
- Altice claims that Starz “pulled their channels from Optimum’s TV lineup.”⁷ However, Starz never deauthorized Altice’s receipt of the Starz services, and Altice clearly was the party that deleted them.

In short, Altice has made sure that Cablevision subscribers cannot connect with its customer service representatives to complain about the deletion of the STARZ, STARZENCORE, and MOVIEPLEX channels or request refunds for the tiers of services that are now substantially different from what they purchased. Although Altice has stated that Cablevision subscribers may purchase the STARZ and STARZENCORE channels online directly from STARZ, it has not announced a reduction in its prices for the tiers from which it removed those channels or the availability of refunds.

Argument

I. Cablevision’s Failure to Provide 30 Days’ Notice to Its Subscribers of Its Deletion of the STARZ, STARZENCORE, and MOVIEPLEX Channels Violates 47 C.F.R. § 76.1603

In order to prevent cable operators from forcing abrupt rate and service changes on unsuspecting consumers, the Cable Television Consumer Protection and Competition Act of 1992 (47 U.S.C. § 552) directed the Commission to adopt numerous consumer protection provisions, and the Commission adopted a rule requiring cable operators to provide subscribers with 30 days’ advance notice of changes in rates, programming services, and channel positions.

for Starz on its systems”) <http://variety.com/2017/biz/news/starz-altice-carriage-agreement-deadline-1202650309/> (last visited Jan. 8, 2018).

⁶ D. Ramos, “Starz and Encore Go Dark On Altice USA Cable Systems In New York Area,” Deadline.com (Dec. 31, 2017), <http://deadline.com/2017/12/starz-networks-altice-negotiations-distribution-agreement-outlander-power-american-gods-1202233872/> (last visited Jan. 8, 2018).

⁷ Optimum website regarding Starz services, https://www.optimum.net/pages/starz.html?v_cid=vanity- -url- -starz (last visited Jan. 8, 2018).

Section 76.1603(b) of the Commission's rules requires cable operators to notify subscribers of "any changes in...programming services...as soon as possible in writing." *See* 47 C.F.R. §76.1603(b). Such "[n]otice must be given to subscribers a minimum of thirty (30) days in advance of such changes if the change is in the control of the cable operator."⁸ *Id.* Thus, advance written notice to subscribers of channel deletion is mandatory.

The Media Bureau has identified "at least two important purposes" of the 30-day notice requirement:

First, it provides customers with the opportunity to make their voices heard before any programming changes are made. Second, it allows customers to make arrangements to secure dropped channels through alternative means, such as by changing service providers.

See Time Warner Cable, a Division of Time Warner Entertainment Company, L.P., 21 FCC Rcd. 8808 (Med. Bur. 2006), at ¶7, *on recon.*, 21 FCC Rcd. 9016 (Med. Bur. 2006) ("NFL Reconsideration Order"). The Media Bureau's NFL Reconsideration Order affirmed that "one of the principal purposes of Section 76.1603...is to allow consumers to make alternative arrangements to view programming that is dropped by a cable provider." NFL Reconsideration Order at ¶23.

⁸ The deletion of the STARZ, STARZENCORE, and MOVIEPLEX channels clearly was in Cablevision's control. Cablevision knew the expiration date of its agreement with Starz, refused to extend that agreement on the same terms for a short period while negotiations continued, and had planned for the deletion of the STARZ, STARZENCORE, and MOVIEPLEX channels, creating a website and launching replacement channels. The Commission has defined narrowly conditions "not within the control of the cable operator" in 47 C.F.R. § 76.309(c)(4)(ii):

Those conditions which are not within the control of the cable operator include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the cable operator include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the cable system.

In adopting this definition, the Commission observed that "events [that] are generally scheduled by the cable operator" and events for which "the operator knows the schedule reasonably well in advance of the event" are within the operator's control. *Implementation of Section 8 of the Cable Television Consumer Protection and Competition Act of 1992, Consumer Protection & Customer Service*, Report & Order, 8 FCC Rcd. 2892, 2903 ¶43 (1993) ("Customer Service Report & Order").

Cablevision's knowing and intentional violation of Section 76.1603 is clear. It did so to avoid the two important purposes identified by the Media Bureau, *i.e.* to provide customers with time to complain about its deletion of 16 channels and to make alternative programming arrangements. Cablevision's violation of Section 76.1603 spanned numerous franchise areas and is precisely the kind of "systemic abus[e] that undermine[s] the statutory objectives" of the 1992 Cable Act, requiring Commission action.⁹ Cablevision's concomitant violations of Section 76.309(c) and accompanying misrepresentations confirm and reinforce its intentional violation of the notice requirement.

II. Cablevision's Attempts to Avoid Customer Inquiries and Complaints Regarding Its Deletion of the STARZ, STARZENCORE, and MOVIEPLEX Channels Violate 47 C.F.R. § 76.309(c)

Cablevision clearly has tried to avoid customer calls inquiring or complaining about its deletion of the STARZ and STARZENCORE channels. Although Altice states that Cablevision subscribers may purchase the Starz OTT service to obtain the same channels that they had received previously, it has offered no refunds to its subscribers and no reduction in the price of the tiers from which it deleted the 16 STARZ, STARZENCORE, and MOVIEPLEX channels.

Instead, Cablevision has automatically transferred such inquiries to deadend loops and then disconnected the callers; made callers wait up to 45 minutes; simply disconnected callers at the outset of their call; immediately transferred callers inquiring about the Starz deletions to the same deadend loops and then disconnected them; and misrepresented to callers that the STARZ channels will be reinstated in less than 15 days. *See supra* at 6-7. Cablevision's avoidance tactics clearly violated the customer service requirements of Section 76.309(c):

⁹ *See* Customer Service Report & Order at ¶19; NFL Reconsideration Order at ¶¶30-33. In any event, the Media Bureau made clear in the NFL Reconsideration Order at ¶30, that the Commission's role in enforcing Section 76.1603(c) is not limited to systemic abuses.

(1) Cable system office hours and telephone availability—

(i) The cable operator will maintain a local, toll-free or collect call telephone access line which will be available to its subscribers 24 hours a day, seven days a week.

(A) Trained company representatives will be available to respond to customer telephone inquiries during normal business hours.

(B) After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.

(ii) Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis.

(iii) The operator will not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless an historical record of complaints indicates a clear failure to comply.

(iv) Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time.

See 47 C.F.R. § 76.309(c)(1)(i)-(iv).

Cablevision's actions violate a "key objective" of the 1992 Cable Act identified by the Commission -- ensuring that cable operators provide satisfactory service to the customers. *See* Customer Service Report & Order, at ¶4. Under Cablevision's model, a 30-second response time becomes 30 minutes if the caller is inquiring about its deletion of the STARZ and STARZENCORE channels. A deadend loop is substituted for the trained customer representative. If a trained customer representative actually responds, they have apparently been trained to provide inaccurate information. Rather than transferring calls about its deletion of the STARZ and STARZENCORE channels, Cablevision disconnects them. Voicemails were not returned. For specific examples of Cablevision's conduct, *see supra* at 6. If the Commission's customer service standards are to mean anything when a cable operator deletes channels, the Commission must take severe enforcement action in this case.

Relief Requested

Cablevision and Altice clearly have violated the 30-day notice and customer service requirements of Sections 76.1603 and 76.309 by failing to provide the required notice of its deletion of the 16 STARZ, STARZENCORE, and MOVIEPLEX channels and their concomitant abuse of its customer service responsibilities. Starz respectfully requests that the Commission:

A. Declare that Cablevision and Altice have violated Sections 76.1603 and 76.309 of the Commission's rules, causing injury to its subscribers;

B. Order Cablevision and Altice to restore carriage of the 16 STARZ, STARZENCORE, and MOVIEPLEX channels under the terms and conditions of its agreement with Starz as of December 31, 2017 for a period of 30 days during which Cablevision must provide the notice required under Section 76.1603;¹⁰

C. Order Altice to make disclosures correcting its misstatements regarding Starz's refusal to extend its agreement, pulling its channels from the Cablevision systems, the decline in STARZ viewership, and its evaluation of the best interests of Cablevision's subscribers; and

D. Assess substantial and appropriate forfeitures for Cablevision's and Altice's knowing and intentional violations of Sections 76.1603 and 76.309 of the Commission's rules.

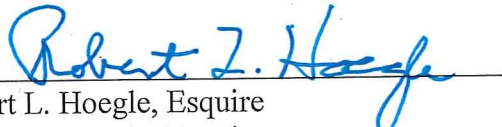
Conclusion

For the foregoing reasons, Starz respectfully requests that the Commission order the requested relief. Cablevision and Altice have violated the Commission's rules knowingly and

¹⁰ This requested relief is consistent with the relief granted by the Media Bureau in *Time Warner Cable, a Division of Time Warner Entertainment Company, L.P.*, 21 FCC Rcd. 8808 (Med. Bur. 2006), *on recon.*, 21 FCC Rcd. 9016 (Med. Bur. 2006).

intentionally to the detriment of Cablevision's subscribers. If the Commission's consumer protection rules are to protect consumers, nothing less is adequate.

Respectfully submitted,
Starz Entertainment, LLC

By: 
Robert L. Hoegle, Esquire
Thomas F. Bardo, Esquire
Nelson Mullins Riley & Scarborough LLP
101 Constitution Avenue, NW, 9th Floor
Washington, DC 20001
(202) 712-2800

Its Counsel

DATED: January 8, 2018

CERTIFICATE OF SERVICE

I, Robert L. Hoegle, hereby certify that on this 8th day of January, 2018, copies of the foregoing Petition for Declaratory Ruling, Enforcement Order, and Further Relief and supporting Declaration of Joe Glennon were served by first-class U.S. mail, postage prepaid, upon:

David Connolly, Esquire
Executive Vice President, General Counsel
Altice USA, Inc.
1 Court Square, 45th Floor
Long Island City, New York 11120

A courtesy copy also was forwarded by FedEx to Mr. Connolly.


Robert L. Hoegle

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Altice USA, Inc.,)	
Cablevision Systems Corporation, and)	MB Docket No. 18-____
CSC Holdings, LLC)	
)	
Petition for Declaratory Ruling,)	
Enforcement Order, and Further Relief For)	
Violations of Sections 76.1603 and 76.309)	
of the Commission's Rules)	

DECLARATION OF JOE GLENNON

Joe Glennon states, upon knowledge and information, that:

1. I am the Executive Vice President, Affiliate Distribution, of Starz Entertainment, LLC ("Starz") and submit this declaration in support of Starz's Petition for Declaratory Ruling, Enforcement Order, and Further Relief.

2. Starz is a subsidiary of Lions Gate Entertainment Corp. Starz provides premium subscription video programming to multichannel video programming distributors ("MVPDs") in the United States, including cable operators, satellite television providers, telecommunications companies, and online video providers, and on an OTT basis. Starz's flagship premium service STARZ offers original series and recently-released exclusive premium-window movies and library movies without advertisements. Starz's other services, STARZENCORE and MOVIEPLEX, offer theatrical and independent library movies as well as original and older television series, also without advertisements. Starz's services include 17 linear networks, on-demand and online viewing platforms, and stand-alone OTT service. The linear networks air over 1,000 movies per month from premier studio partners and include an expanding line-up of original programming series, including the highly-rated "Power" and "Outlander" series. Starz's services are offered by

distributors either at a fixed monthly price as part of a programming tier or package or on an a la carte basis, or directly to consumers through the STARZ app at www.Starz.com or through retail partners, such as the Apple Store, for a monthly fee.

3. Cablevision has distributed STARZ and STARZENCORE programming for more than two decades. On December 31, 2017, Cablevision's systems distributed the following Starz channels in Cablevision packages:

- Optimum Preferred/Optimum Select included 8 STARZENCORE channels – STARZENCORE East, STARZENCORE West, STARZENCORE Action, STARZENCORE Black, STARZENCORE Classic, STARZENCORE Family, STARZENCORE Westerns, and STARZENCORE Suspense;
- Optimum Silver included the 8 STARZENCORE channels and 7 STARZ channels – STARZ East, STARZ West, STARZ Kids & Family, STARZ Edge, STARZ in Black, STARZ Comedy, and STARZ Cinema;
- Optimum Gold included the 8 STARZENCORE channels and 7 STARZ channels;¹ and
- Optimum Premier included the 8 STARZENCORE channels and 7 STARZ channels.

Cablevision also had provided Starz's programming services to subscribers on an a la carte basis.

4. CSC Holdings, LLC ("CSC"), another subsidiary of Altice, was the Altice party to the agreement with Starz for the STARZ, STARZENCORE, and MOVIEPLEX services.

5. Starz's agreement with CSC was to expire at midnight on December 31, 2017. Consequently, Starz submitted a written renewal proposal to Altice on September 20, 2017. Altice did not respond until November 28, 2017 with a counterproposal that would have changed the contractual relationship between CSC/Altice and Starz, drastically and adversely to Starz. Starz responded to that counterproposal on December 4, 2017, and Altice finally exchanged a number of proposals over the next few weeks.

¹ Some Cablevision systems, such as its Norwalk, Connecticut systems, also distributed MOVIEPLEX in the Optimum Gold package. Not all Cablevision systems distributed precisely the same Starz linear programming services. Certain systems also distributed the STARZ On Demand and STARZENCORE On Demand services.

6. At a meeting on December 20, 2017, John Huncke, Senior Vice President, Affiliate Distribution, of Starz, asked Bradley Fleisher, Senior Vice President Programming at Altice, whether to extend the agreement to enable continuing negotiations. Mr. Fleisher replied that there would not be an extension without a path forward. During a telephone call on December 23, 2017, I proposed that the existing agreement be extended on a short-term basis while the parties continued to negotiate the renewal. Michael Schreiber, Chief Content Officer of Altice, replied that Altice would agree to an extension only if Starz provided all of its programming services for free. I explained that Starz was willing to extend the agreement but could not do so without charge. No further conversations between Starz and Altice occurred with respect to a short extension. Starz continued to negotiate with Altice regarding renewal of the agreement throughout the day on December 31, 2017. Starz did not, and has not, de-authorized Altice's receipt of Starz's satellite-delivered signals.

7. At midnight on January 1, 2018, all Cablevision systems deleted all 16 STARZ, STARZENCORE, and MOVIEPLEX channels that it distributed.

8. Attached as Exhibit 1 is an excerpt from an Optimum bill for the billing period 12/23/17-1/22/18 in which Cablevision disclosed the deletion of certain channels in late December of 2017, but did not disclose the deletion of any STARZ, STARZENCORE, or MOVIEPLEX channels.

9. Starz personnel had been monitoring publications, the Altice website, and the STARZ, STARZENCORE, and MOVIEPLEX channels themselves for any prior disclosure by Altice and Cablevision of the deletion of the STARZ, STARZENCORE, and MOVIEPLEX channels. They could not find any such disclosure.

10. Within hours of the deletion, Altice unveiled a website purporting to explain the reasons for Cablevision's deletions and had replaced some of the STARZENCORE channels with the Cowboy Channel, Hallmark Drama, MGM HD, and Sony Movie Channel from different genres and the STARZ channels with Flix.

11. Starz understands that thousands of irate subscribers have contacted Cablevision by telephone and email to express their anger over the deletion of the STARZ, STARZENCORE, and MOVIEPLEX channels, to demand their reinstatement and/or to request refunds for the deleted services. Callers have experienced: (1) unanswered and dropped calls; (2) excessive wait times; (3) unavailability of live customer service assistance; (4) transfers to recorded messages followed by call disconnection; and (5) unreturned messages.

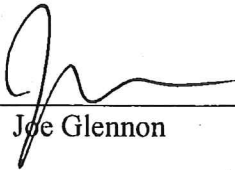
12. For example, callers who selected the option for customers calling about STARZ were connected to a recording and disconnected after the conclusion of the recording. Callers who selected "billing" again received a recording and were disconnected at its conclusion. Callers who selected "add services" had wait times from 16 to 40 minutes. Other callers who selected "upgrades" were informed that Cablevision could not take their call and were then disconnected. All calls forwarded by Starz to Cablevision are routed directly to a recording and then disconnected without any opportunity to speak with a live customer service representative. One caller who called Cablevision without disclosing her purpose in calling eventually spoke with a live person after a 30 minute wait time and was informed that STARZ "will be back on in a few days" -- "the most would be 15."

13. Annexed as Exhibit 2 are a screenshot of the statement by Cablevision on the deleted STARZ and STARZENCORE channels and the explanation for their deletion by Cablevision at optimum.net/starz.

14. Viewing data from Nielsen for 2017 reported that, among Cablevision homes, more than 1 in 8 watched STARZ/STARZ ENCORE more than any other cable or broadcast network in 2017, averaging more than 76 minutes of viewing STARZ/STARZ ENCORE every day. Based upon our research, none of the replacement services, which have limited national distribution, includes recent box office hits. To the extent that the replacement services offer movies, all appear to feature dated library titles and other programming. According to SNL Kagan estimates of programming expenditures in 2018, the combined programming expense for the Cowboy Channel, MGM HD, and Sony Movie Channel is less than 13% of Starz's projected 2018 programming expenses.²

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge and information.

Dated January 8, 2018



Joe Glennon

² Because Hallmark Drama is a newly-launched linear service, SNL Kagan did not provide an estimate of its programming expenses for 2018.

Exhibit 1

Optimum Updates

As of December 27, TAG Games (channel 610) will no longer be available as it has been discontinued by the vendor.

Under New York State law, if you downgrade or disconnect your cable service within 30 days of this notice as a result of the changes described in this notice, no charge associated with the downgrade or disconnection will be applied to your account. You will also be entitled to a refund of any pre-paid service charges, or connection, upgrade or other one-time charges you may have incurred in connection with your service during the six months prior to this change.

As of December 31, 2017, The Chiller Network will no longer be available.

Under New York State law, if you downgrade or disconnect your cable service within 30 days of this notice as a result of the changes described in this notice, no charge associated with the downgrade or disconnection will be applied to your account. You will also be entitled to a refund of any pre-paid service charges, or connection, upgrade or other one-time charges you may have incurred in connection with your service during the six months prior to this change.

As of January 18, Spike TV, channel 41 (Cable card channel 741) will be known as Paramount Network.

News 12 Varsity is home to the best of high school sports. Catch hundreds of live-streaming games, top analysis and highlights to keep up with all of the excitement. Watch News 12 Varsity on Channel 614, News12Varsity.com or on the News 12 Varsity app.

Tackle your to-do list with the ultimate get-it-done channel. Discover an easy, entertaining way to learn all about your Optimum services. From tips and shortcuts to movies and show guides, Channel 14 has it all.

When it comes to Optimum and your services, Explore Optimum helps you find what you're looking for faster. Catch the latest helpful tips, tools and instructional videos to make the most out of your Optimum services. Check it out for yourself, just tune to Channel 900 today.

Move without missing a beat. You're a valued customer and we're committed to making your move simple and stress free. Call for our exclusive movers offer that includes free installation, Multi-Room DVR and Showtime. Call 866.218.2013.

Optimum Information

FCC Community ID numbers are: Babylon - NY0423, Hempstead Town - NY 0454, North Hempstead - NY0453, Westbury - NY0703.

Optimum Voice subscriber fee Information: 10% of the Optimum Voice fee is attributable to Optimum Voice homepage (voice-capable email and website) and 23% of the fee is attributable to the other calling features. For purposes of calculating the NY sales tax, 25.8% of the fee is attributable to interstate/international service. For NY tax purposes the bundled discount is allocated 47.0% to TV, 33.5% to internet and 19.5% to phone. The NY excise taxes are comprised of the 186-e and 184 taxes and MTA surcharges. The Federal Universal Service Fund Charge is not a mandated fee, but Altice is permitted by law to recover Universal Service Fund costs from its subscribers.

Optimum Stores/Payment Locations

You may pay your bill at optimum.net or at any of our Optimum Stores. For store hours by location go to optimum.net/stores.

Optimum Store Near You:

595 S. Broadway, Hicksville, NY 11801

Mail your payment to: PO Box 9256, Chelsea MA 02150-9256

To make changes to your account or pick up new equipment, you need to be an authorized user. This means that your name must be listed on the account, and to ensure account security, you will need to present a photo ID.

To find other locations where you can make a payment, contact any of the following:

Softgate Systems payxchange.net

Western Union 1-800-354-0005, option 5 or westernunion.com

Checkfree Pay 1-855-578-6415 or checkfreepay.com

Exhibit 2

Starz and StarzEncore programming
is no longer available on Optimum's
TV lineup.

For additional information on new content
and more, please visit optimum.net/starz

optimum.
a brand of altice



Starz

Optimum is focused on providing our customers with the best content experience possible. We are constantly evaluating which channels best meet the needs and preferences of our customers relative to the cost of the programming imposed by the content owners. As a result, we believe it is in the best interest of all our customers to replace Starz and StarzEncore with several new and exciting channels* for your enjoyment.

If you wish to continue to watch Starz and StarzEncore, you can purchase it directly through Starz at **www.starz.com**, by calling 855-247-9175 or emailing **help@starz.com**. Additionally, you can watch Starz through Hulu, which offers past seasons of select shows.

New channels now available on Optimum:



Hallmark Drama

Hallmark Drama is a brand new channel in the U.S., featuring iconic dramas, original movies, series, and timeless favorites that create emotional connections through powerful and gripping stories that remain true to the Hallmark brand values.

Available on channel 189



MGM HD

A thoughtfully curated movie network showcasing the legendary MGM film library. From blockbusters to classics, viewers can experience the full scope of this incredible body of work.

Available on channel 395



Cowboy Channel

The Cowboy Channel focuses on the western lifestyle featuring western sports, fashion, with extensive coverage of major rodeos and equine competitions.

Available on channel 157**Sony Movie Channel**

Offering a highly curated collection, on-air and on demand, Sony Movie Channel brings viewers a high-energy unapologetically entertaining movie experience.

Available on channel 396

For additional changes to your lineup, select your package below.:

Optimum Preferred
Optimum Select
Optimum Silver
Optimum Premier

If you are currently paying for Starz a la carte, you will no longer be billed for the service as of 1/1/18. You will also receive a partial credit for any pre-paid service.

For CableCARD customers, Hallmark Drama can be found on Ch. 783 and Sony Movie Channel can be found on Ch. 839.

*Channel availability depends on package and area.

Need Help? No Problem.



Frequently Asked Questions

Programming My Remote Control •
Optimum Hotspots • Online Bill Pay

Find Another Solution →

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 **Live chat now**

 **Email us**

 **@OptimumHelp**

Optimum Stores

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